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BEFORE THE ARIZONA CORPORATION (

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AZ CORP COMMISSION
DOCKET CONTROL

COMMISSIONERS

SUSAN BITTER SMITH, Chairman
BOB STUMP
BOB BURNS
TOM FORESE
DOUG LITTLE

IN THE MATTER OF THE APPLICATION
ARIZONA-AMERICAN WATER
COMPANY, AN ARIZONA PUBLIC
SERVICE CORPORATION, FOR
APPROVAL OF LOW INCOME PROGRAM
IN THE SUN CITY WATER DISTRICT.

DOCKET NO. SW-01303A-09-0343
W-01303A-09-0343

DECISION NO. 72229

NOTICE OF COMPLIANCE FILING

In compliance with Decision No. 72229, EPCOR Water Arizona Inc. hereby files its Sun
City Low Income Program Annual Report for 2014.

RESPECTFULLY SUBMITTED on February 27, 2015.

Sandra L. Murrey

Sandra L. Murrey
Rate Analyst
EPCOR Water Arizona Inc.
2533 W. Pinnacle Peak Rd., Suite 300
Phoenix, AZ 85027

Arizona Corporation Commission
DOCKETED

FEB 27 2015

DOCKETED BY

[Signature]

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4 Original and 13 copies **filed**
5 on February 27, 2015, with:

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7 Docket Control
8 Arizona Corporation Commission
9 1200 West Washington
10 Phoenix, Arizona 85007
11

12 Copies of the foregoing **emailed**
13 on February 27, 2015 to:

14
15 Brian K. Bozzo
16 Compliance and Enforcement Manager
17 Utilities Division
18 1200 West Washington Street
19 Phoenix, AZ 85007

EPCOR Water Arizona Inc.
Sun City Water Low Income Program
2014 Annual Report
(Covering the period of 2009-2014)

EPCOR Water Arizona Inc.						
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning Balance	\$ 58,403	\$ 59,137	\$ 48,121	\$ 45,829	\$ 91,767	\$ 88,520
Add: Funding Amount from the High Block Usage	\$ 1,858	\$ 19,848	\$ 22,708	\$ 47,222	\$ 47,234	\$ 45,273
Add: Funding Correction for 12/2009 to 12/2011				\$ 41,530		
Add: Funding of SCCAN		\$ (15,000)		\$ (15,000)	\$ (15,000)	\$ (15,000)
Less: Discounts given to participants	\$ (1,125)	\$ (15,864)	\$ (24,999)	\$ (27,814)	\$ (34,232)	\$ (31,803)
Less: Direct costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Indirect costs	\$ -	\$ -	\$ -	\$ -	\$ (1,250)	\$ -
Ending Balance	\$ 59,137	\$ 48,121	\$ 45,829	\$ 91,767	\$ 88,520	\$ 86,990
Number of Participants at Year End	282	370	499	568	609	599

Sun City Community Assistance Network (1)						
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning Balance	\$ -	\$ -	\$ 15,000	\$ 5,745	\$ 8,486	\$ 11,772
Add: Funding of SCCAN	\$ -	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
Less: Discounts given to participants	\$ -	\$ -	\$ (7,810)	\$ (11,294)	\$ (11,747)	\$ (12,118)
Less: Direct costs	\$ -	\$ -	\$ (1,445)	\$ (1,174)	\$ (646)	\$ (641)
Less: Indirect costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ 15,000	\$ 5,745	\$ 8,277	\$ 11,093	\$ 14,013
Adjustment for voided checks	\$ -	\$ -	\$ -	\$ 209	\$ 679	\$ 630
Ending Balance	\$ -	\$ 15,000	\$ 5,745	\$ 8,486	\$ 11,772	\$ 14,643
Number of Participants at Year End	0	0	214	229	234	243

Note:

1) EPCOR Water Arizona Inc. has contracted with the Sun City Community Assistance Network, formerly known as the Sun City Taxpayers Association, to administer Sun City's Low Income Program for condominium and multi-family unit residents.

Updated Gross Annual Income Guidelines as necessary from the Federal Government:



2014 HHS Poverty Guidelines for Fee Waiver Request

Department of Homeland Security
U.S. Citizenship and Immigration Services

USCIS
Form I-912P
Supplement

2014 HHS Poverty Guidelines*

For the 48 Contiguous States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Commonwealth of the Northern Mariana Islands:

Household Size	150% of HHS Poverty Guidelines*
1	\$17,505
2	\$23,595
3	\$29,685
4	\$35,775
5	\$41,865
6	\$47,955
7	\$54,045
8	\$60,135

Add \$6,090 for each
additional person.

ORDER

IT IS THEREFORE ORDERED that the application by Arizona-American Water Company for the implementation of a Sun City Water District Low Income Program for condominium residents and other multi-housing customers, as modified herein, is hereby approved.

IT IS FURTHER ORDERED that the refund credit amount shall be \$4.38 per month, and the high block funding amount shall be \$0.0251 per 1,000 gallons, to be consistent with Decision No. 72047.

IT IS FURTHER ORDERED that the low income tariff shall not include an age eligibility requirement.

IT IS FURTHER ORDERED that the Sun City Low Income Program for condominiums and other multi-housing dwellers include the following requirements and language:

- The applicant must attach a sworn affidavit to the application stating that he/she meets the annual income threshold.
- The applicant may not be claimed as a dependent on another person's tax return.
- The applicant must reapply each time he/she moves residences.
- Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon request by the Company or its agent, shall result in removal from this rate schedule.
- Rebilling of customers under the applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff.
- For the purposes of the program, "annual income" means the value of all money and non-cash benefits, available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant in the condominium or multi-unit dwelling.

IT IS FURTHER ORDERED that Arizona-American Water Company file with Docket Control, by March each year, beginning with March 2012, an annual report detailing the number of participants for the previous calendar year, the discounts given to participants, direct and indirect costs associated with the program, collections made from the high block rate used to fund the program, and provide updated gross annual income guidelines as necessary from the federal

1 government. The report shall include the balance of the low income program (i.e., funding amount
2 from high block usage less checks sent to customers and direct and indirect costs associated with
3 the program) and shall include all supporting documentation.

4 IT IS FURTHER ORDERED that the true-up between the program costs and the funding
5 collected, as well as the reset of the high block rate, be completed as part of the Company's next
6 permanent rate case for the Sun City Water district

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